



FOR IMMEDIATE RELEASE

Drew Sugars
Public Information Officer
(818) 238-5849
dsugars@burbankca.gov

City of Burbank Receives ‘AAA’ Credit Rating

Standard & Poor’s: City is in a “very strong financial position”

BURBANK, Calif. (May 17, 2013) – The City of Burbank’s “strong local economy” and “very strong financial position” have prompted the highest credit rating possible from Standard & Poor’s (S&P) Rating Service.

S & P recently informed the City’s Financial Services Department that the credit rating agency has affirmed Burbank’s ‘AAA’ issuer credit rating (ICR), saying the City’s outlook is stable based on the following:

- Strong local economy and steady tax base growth, as well as its convenient, attractive location, with easy access to the greater Los Angeles area
- Strong income levels coupled with extremely strong market value per capita
- Very strong financial position, with an available general fund balance of more than 36% of expenditures

“You can’t do any better than an “AAA” credit rating from Standard & Poor’s,” says Cindy Giraldo Financial Services Director for the City of Burbank. “This just reaffirms that, despite a tough economy, Burbank’s commitment to sound fiscal decisions has resulted in a robust economic outlook.”

According to its website, Standard & Poor’s credit ratings are the agency’s opinion about the ability and willingness of an issuer, such as a corporation, or state or city government, to meet its financial obligations in full and on time.

S & P’s report considers Burbank’s management practices as strong, well embedded, and likely sustainable. Highlights of the City’s practices include “quarterly budget reports to the city council, longer-term financial planning that incorporates major revenue and expense line items, and a five-year, annually updated capital plan that identifies funding sources.”

S & P issues letter grades on a scale of ‘AAA’ to ‘D’ defining an entity that receives its highest rating (‘AAA’) as having an “extremely strong capacity to meet financial commitments.” The rating helps determine the interest rate the City must pay on its bond issues. With a higher rating, the cost of borrowing is lower which means a savings of taxpayer dollars.

The entire report is attached to this news release or can be view by visiting S & P’s website at standardandpoors.com.

###